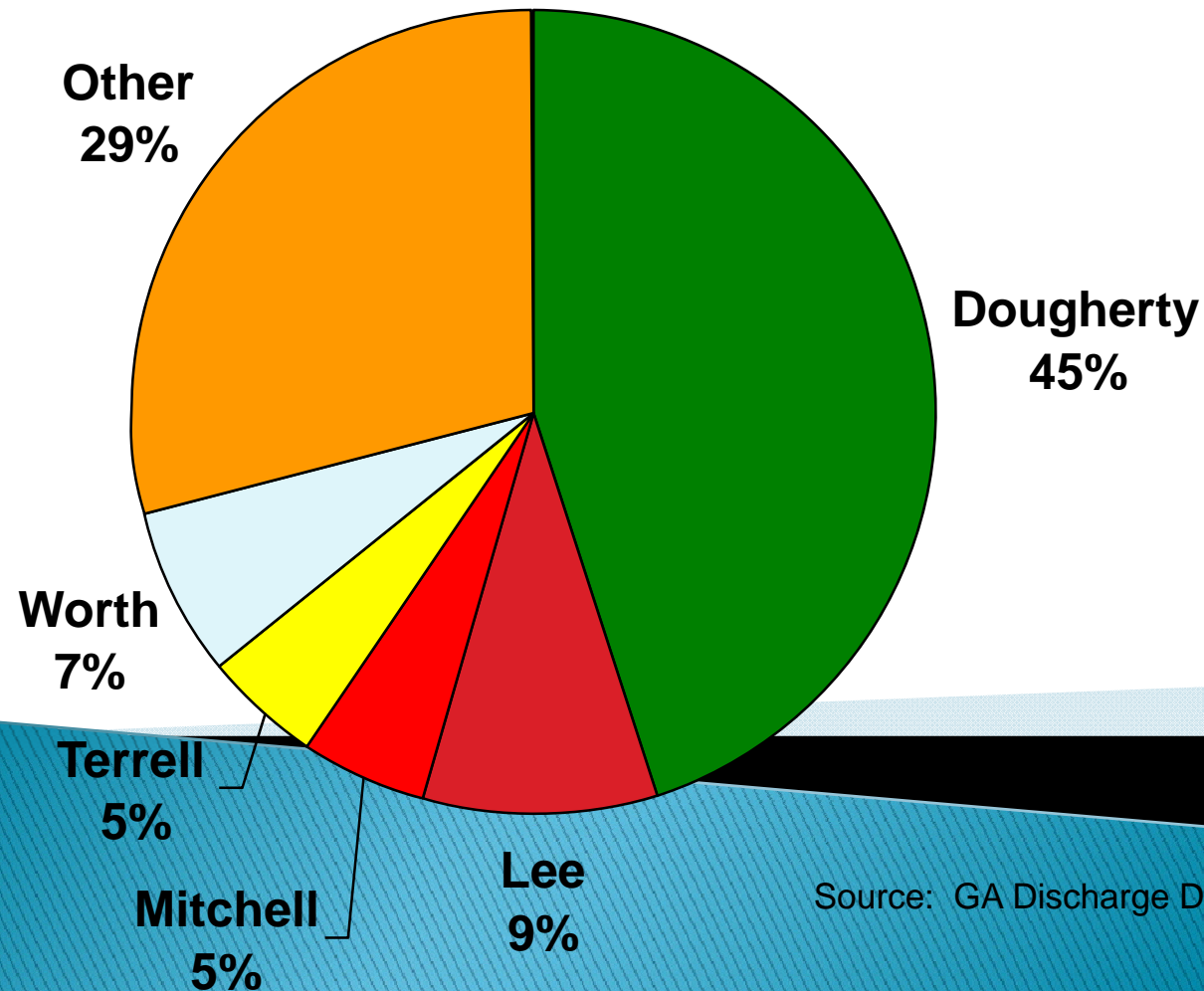


EXHIBIT L

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY

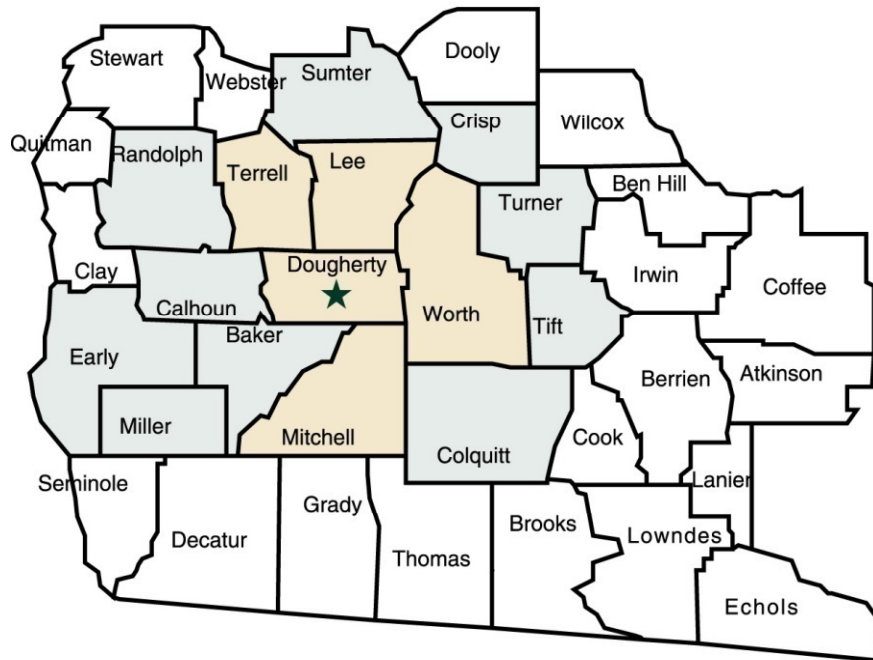
DECEMBER 21, 2010

Caring for a Region Where Patients Live



Source: GA Discharge Data System

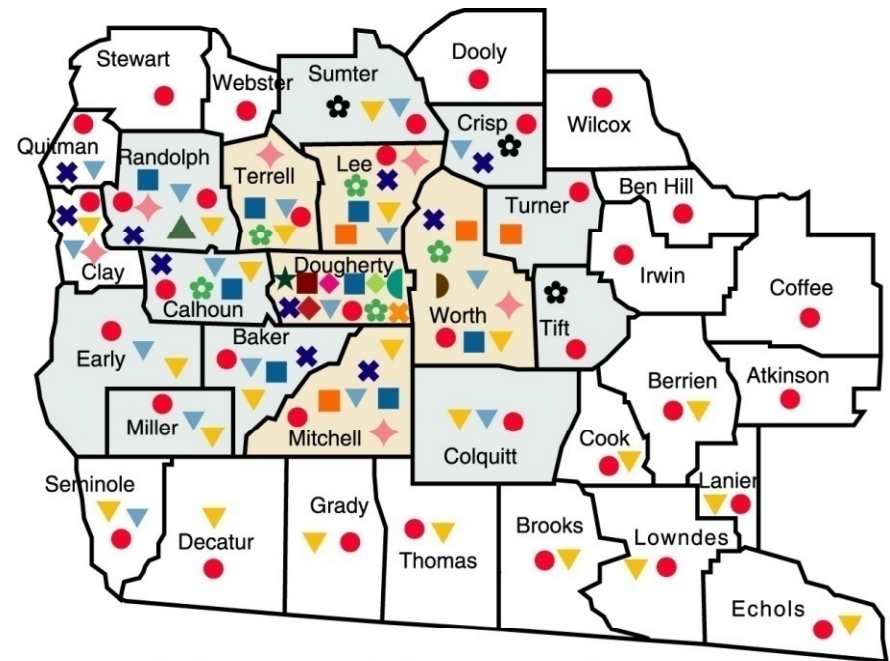
Restructuring Outcomes



1990 – One Location



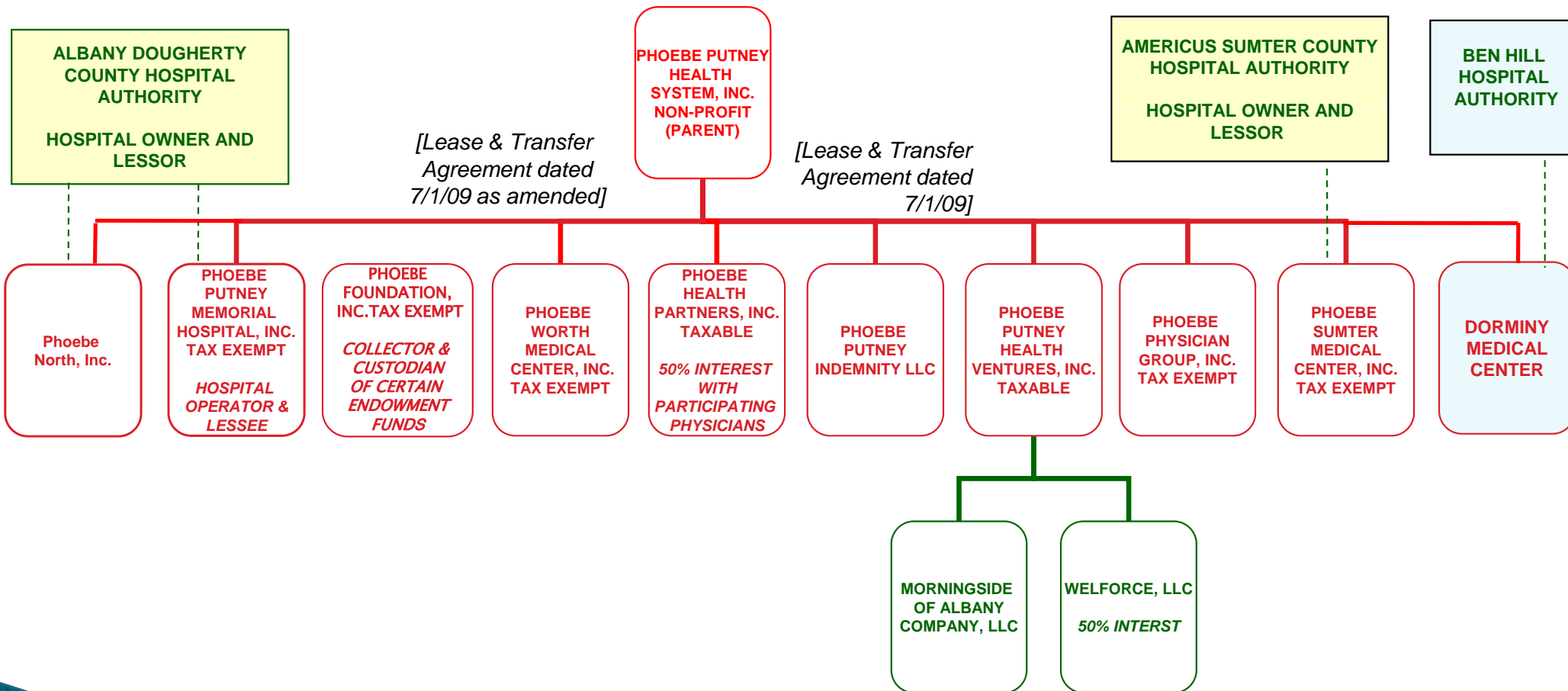
Primary Service Area
Secondary Service Area



2006 – 35 counties

- ★ Phoebe
- ▤ Phoebe Worth Medical Center
- ▣ Phoebe Family Medical Centers
- ▴ Hospital Management Agreement
- ✿ Oncology Off-site Treatment
- ▾ Phoebe Home Care
- ✱ Hospice Service Area
- ◆ Phoebe Northwest
- Physical Medicine, ConvenientCare
- ✱ Phoebe East
- ConvenientCare
- ◆ ConvenientCare South
- ▣ Meredyth Place
- ▣ Mobile Mammography
- ▣ Neonatal Transport
- ✱ Critical Care Transport
- ▣ Morningside Assisted Living
- ◆ Gateway to Care
- ✱ Network of Trust
- Cancer Transport Services
- ▣ Ask-A-Nurse

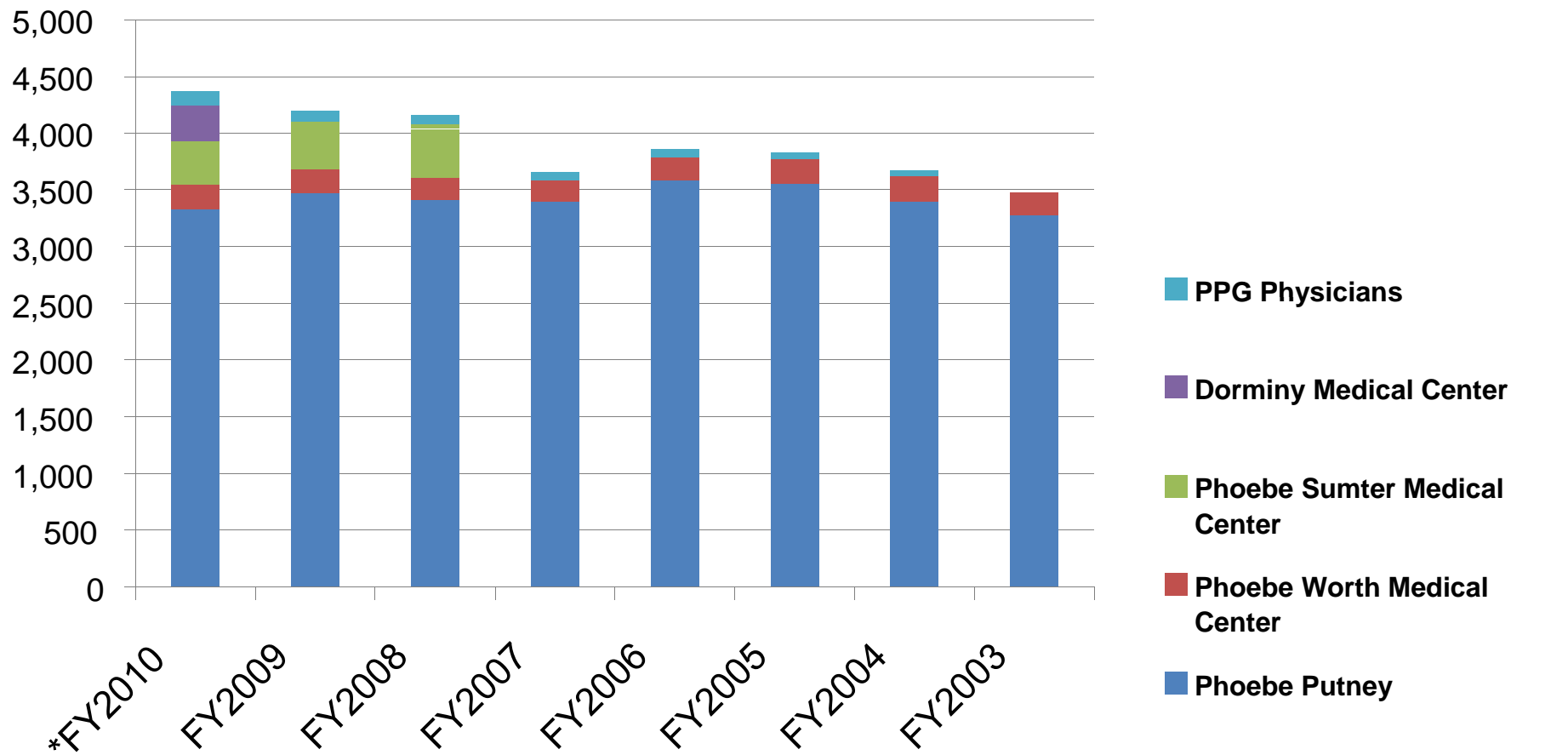
PHOEBE PUTNEY HEALTH SYSTEM FUTURE AFFILIATE GROUP



Updated 12-10

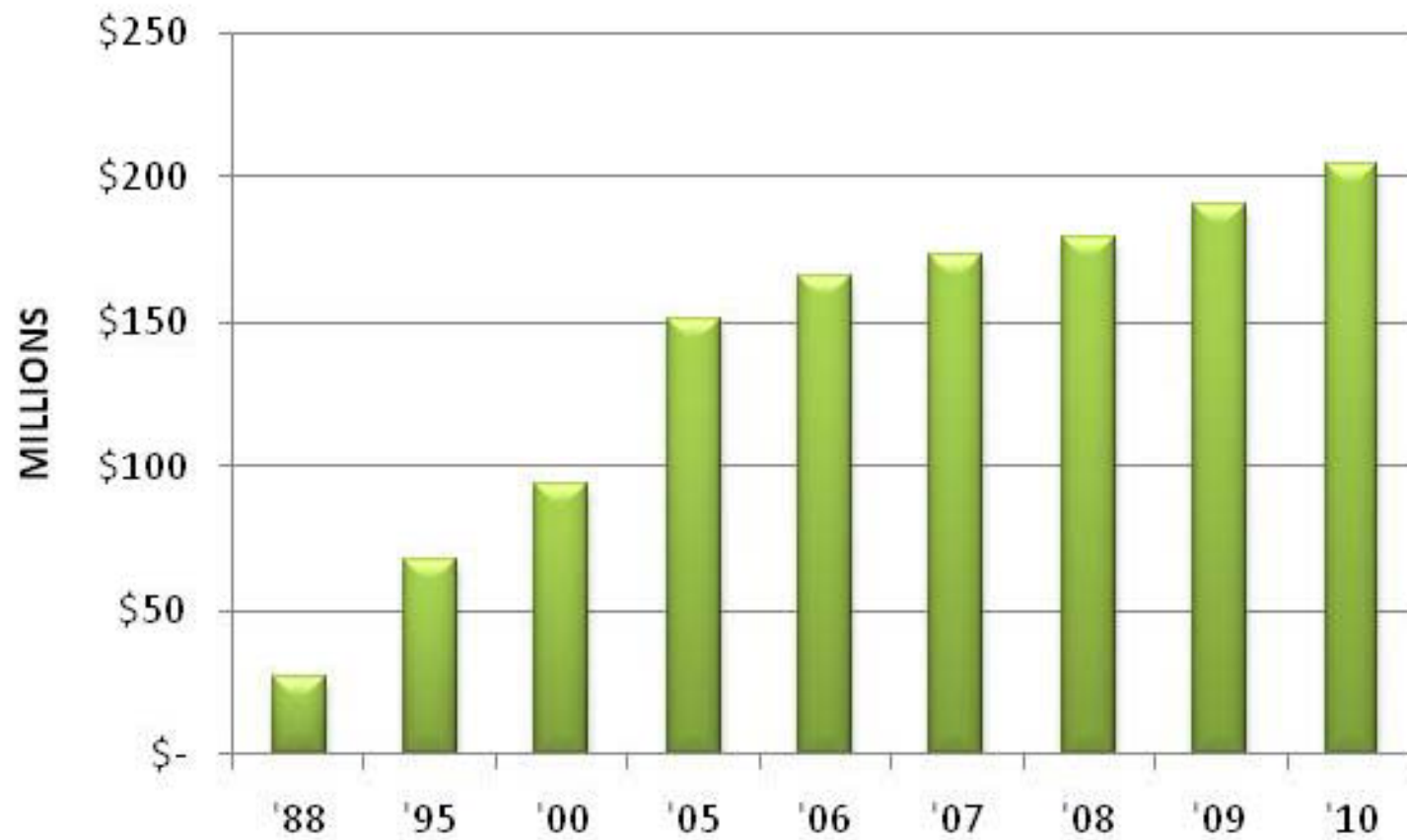
EXHIBIT L - 4

System Employee Growth



**Cuthbert not included*

PAYROLL



**FY10 - Unaudited*

EXHIBIT L - 6

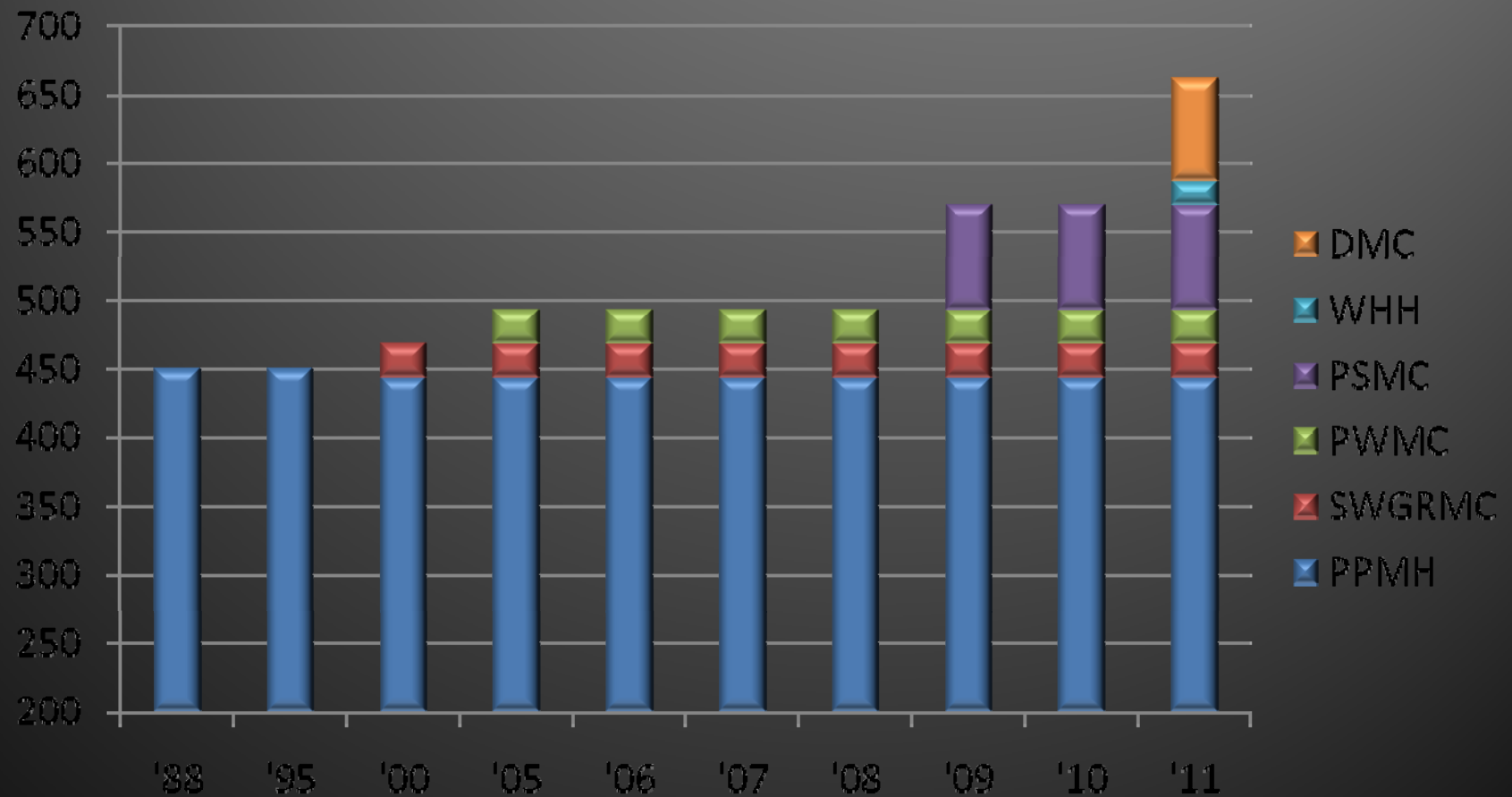
Phoebe Putney Health System Growth Strategy Economic Impact

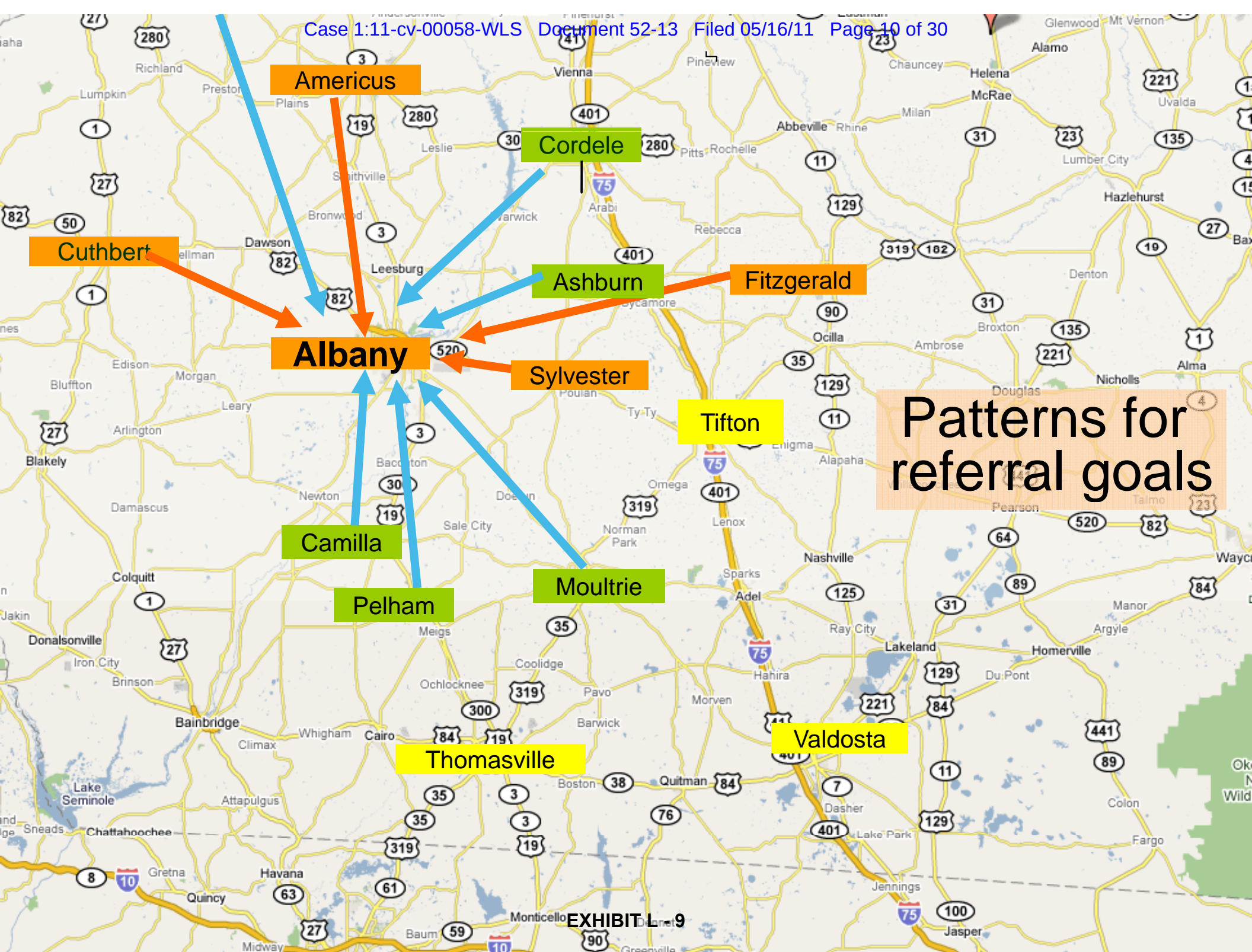
Direct Impact
\$389 million

Total Impact
\$963.4 million

2009 GHA Economic Impact Report

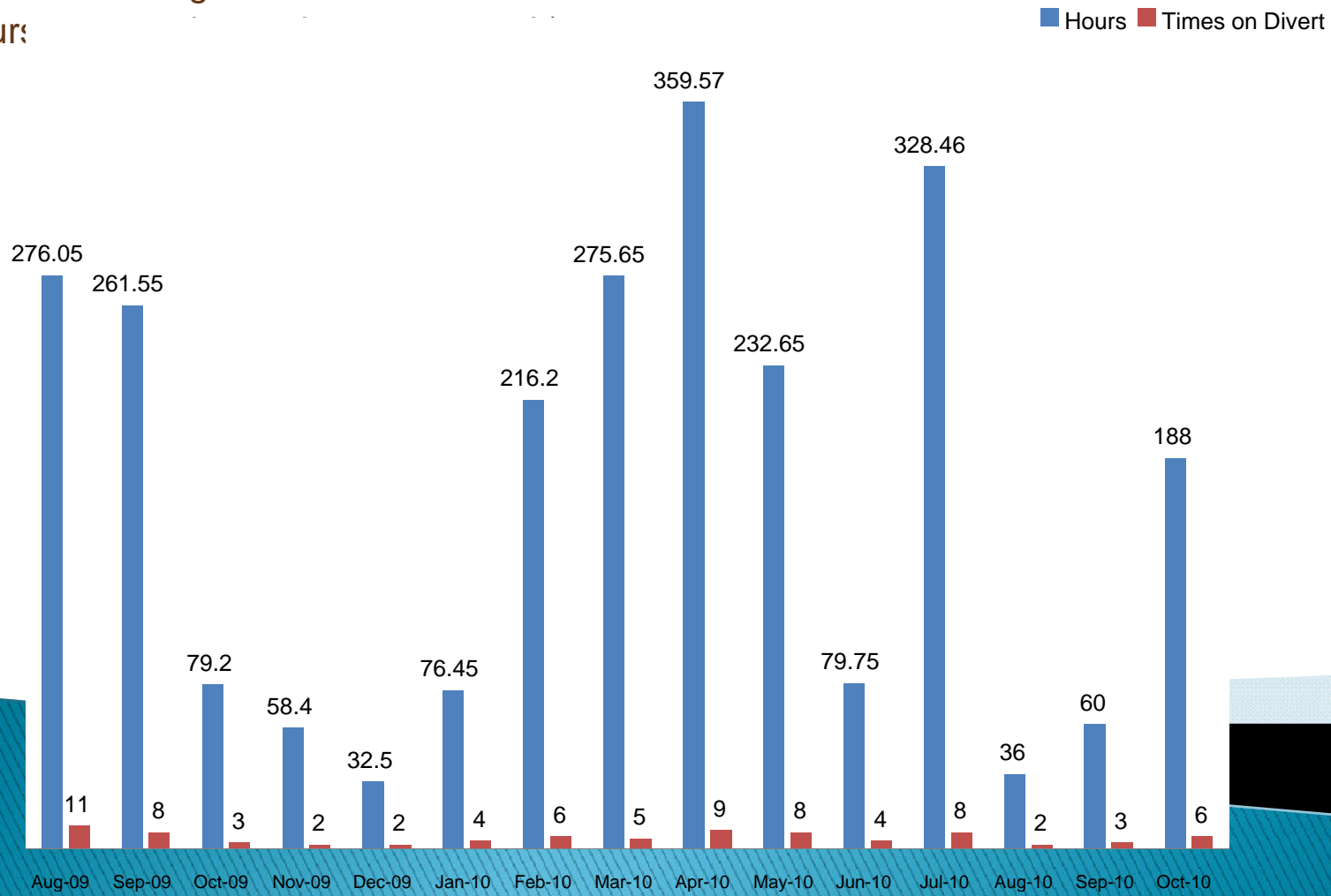
LICENSED BEDS



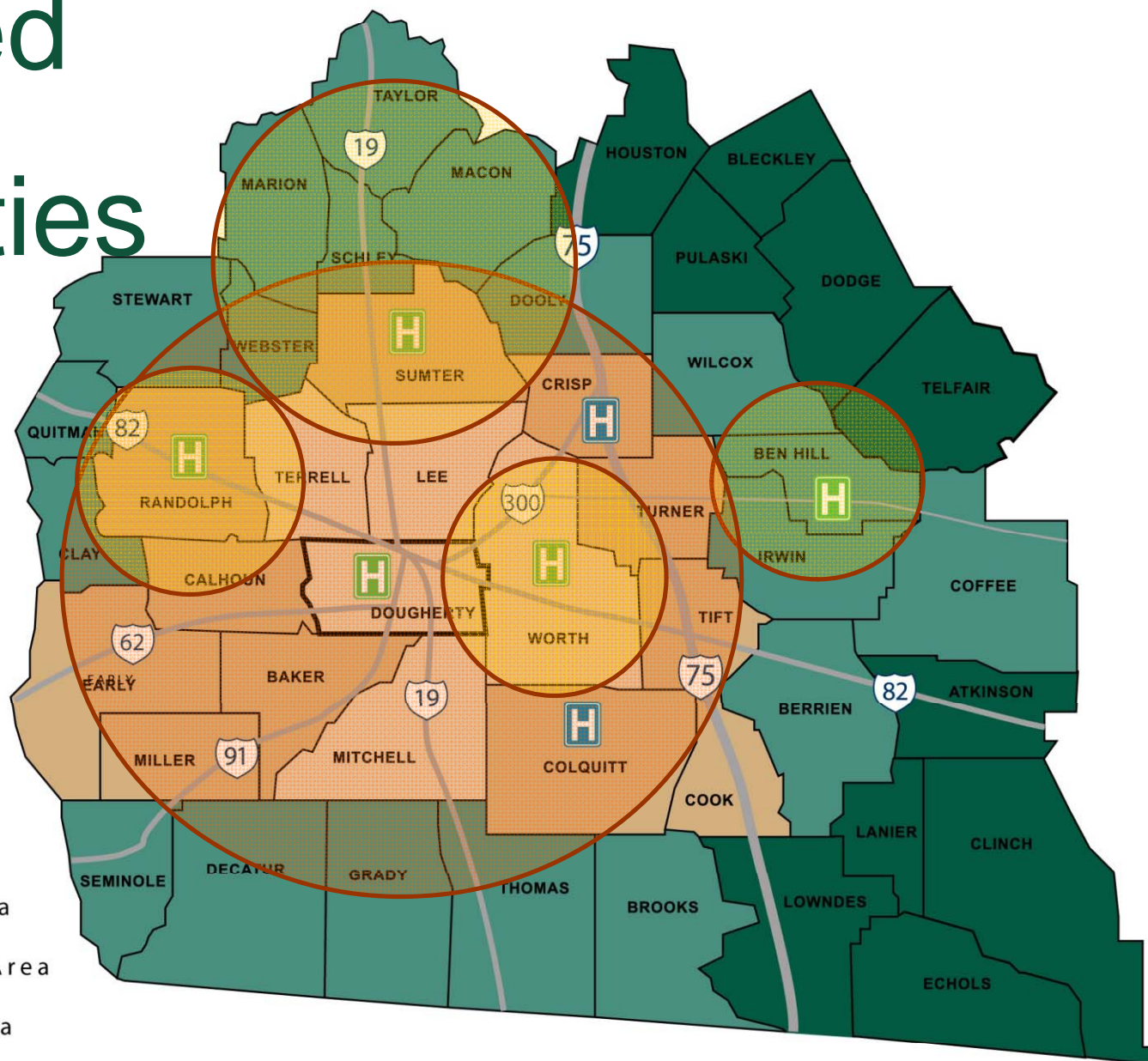
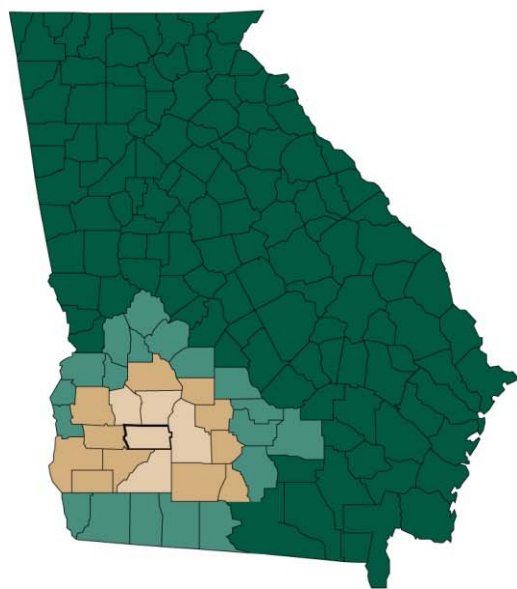


PPMH Growing Need for ICU Beds

- ICU divert averages have increased
(171 hours)

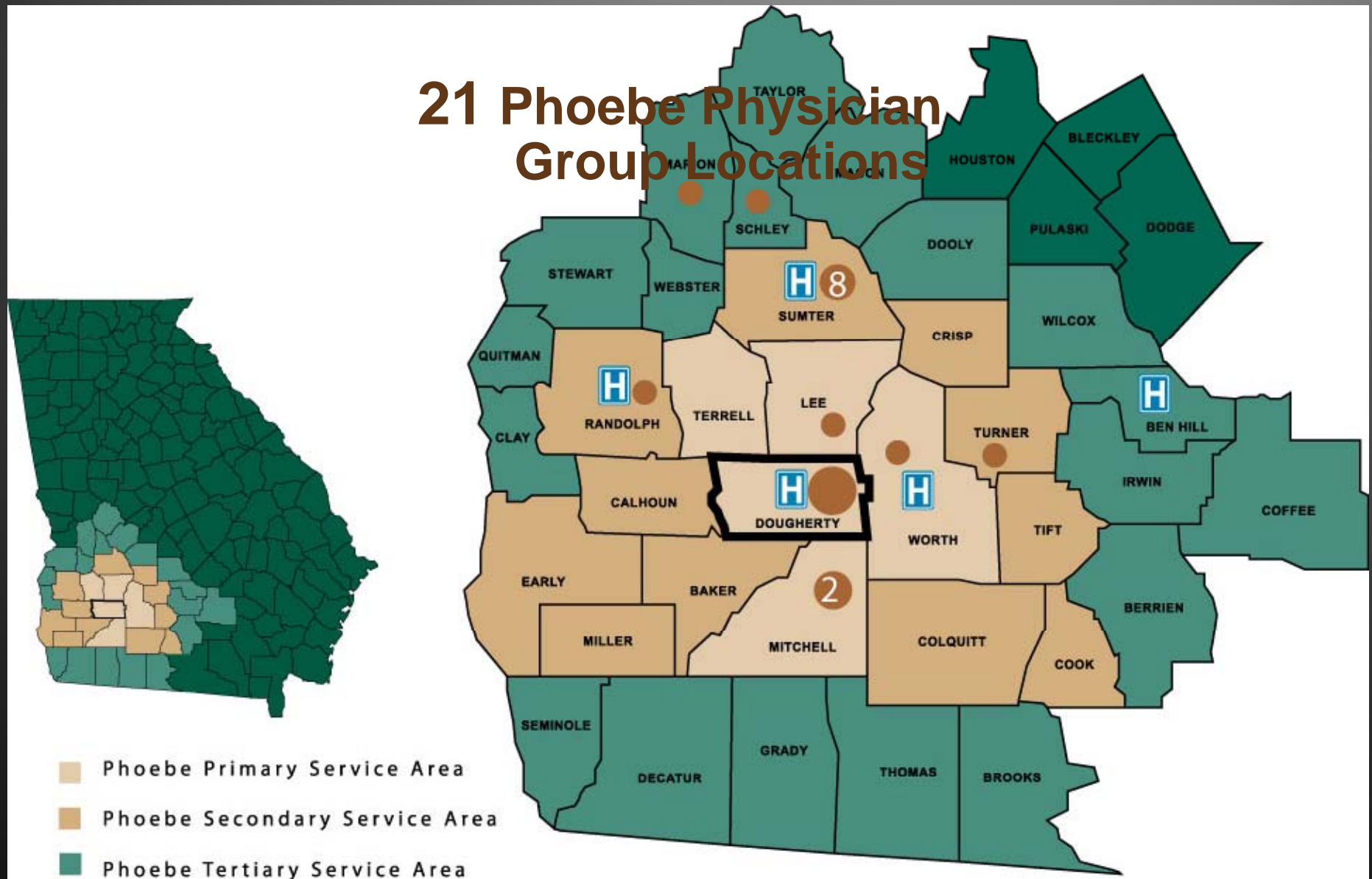


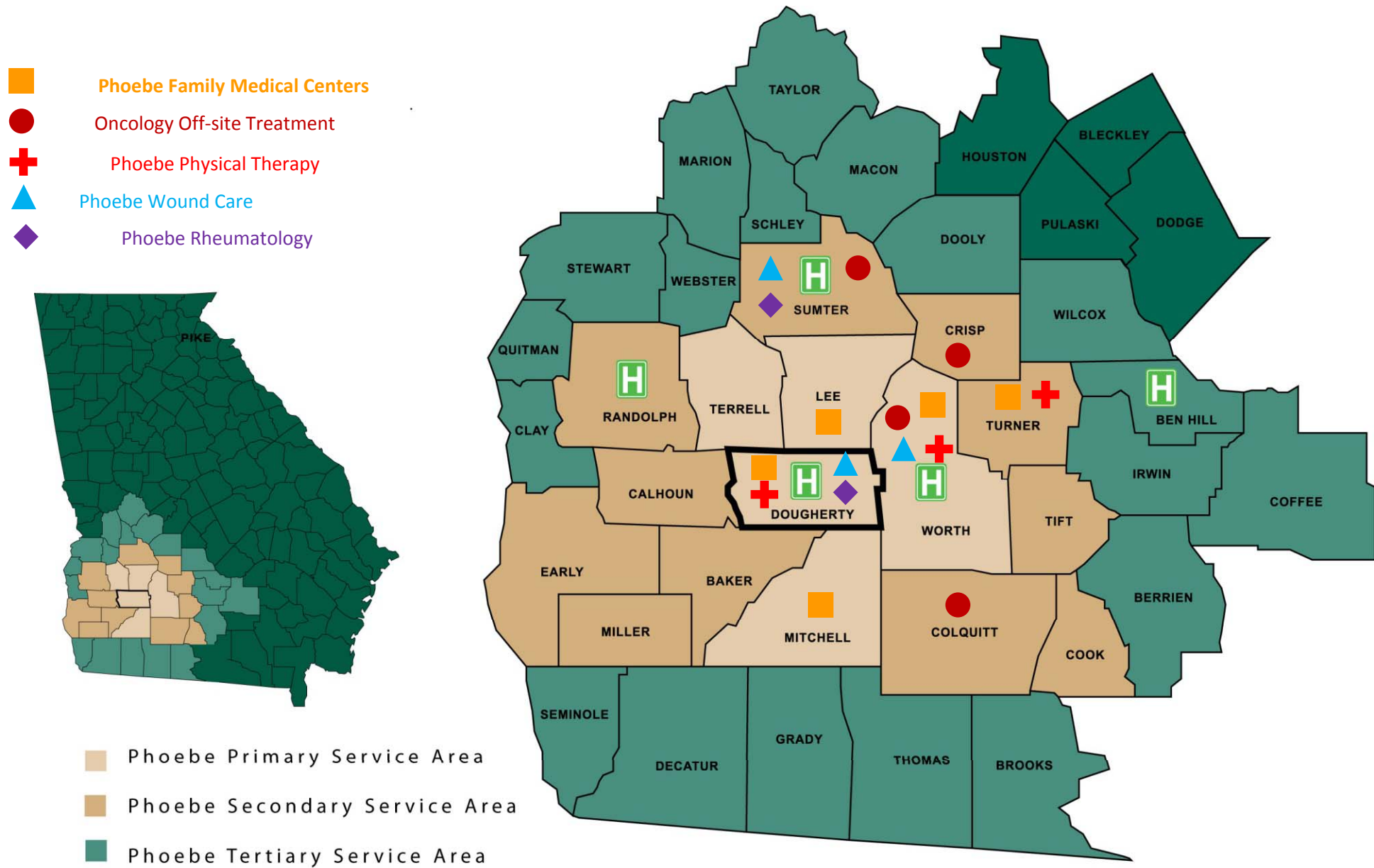
Expanded Market Opportunities

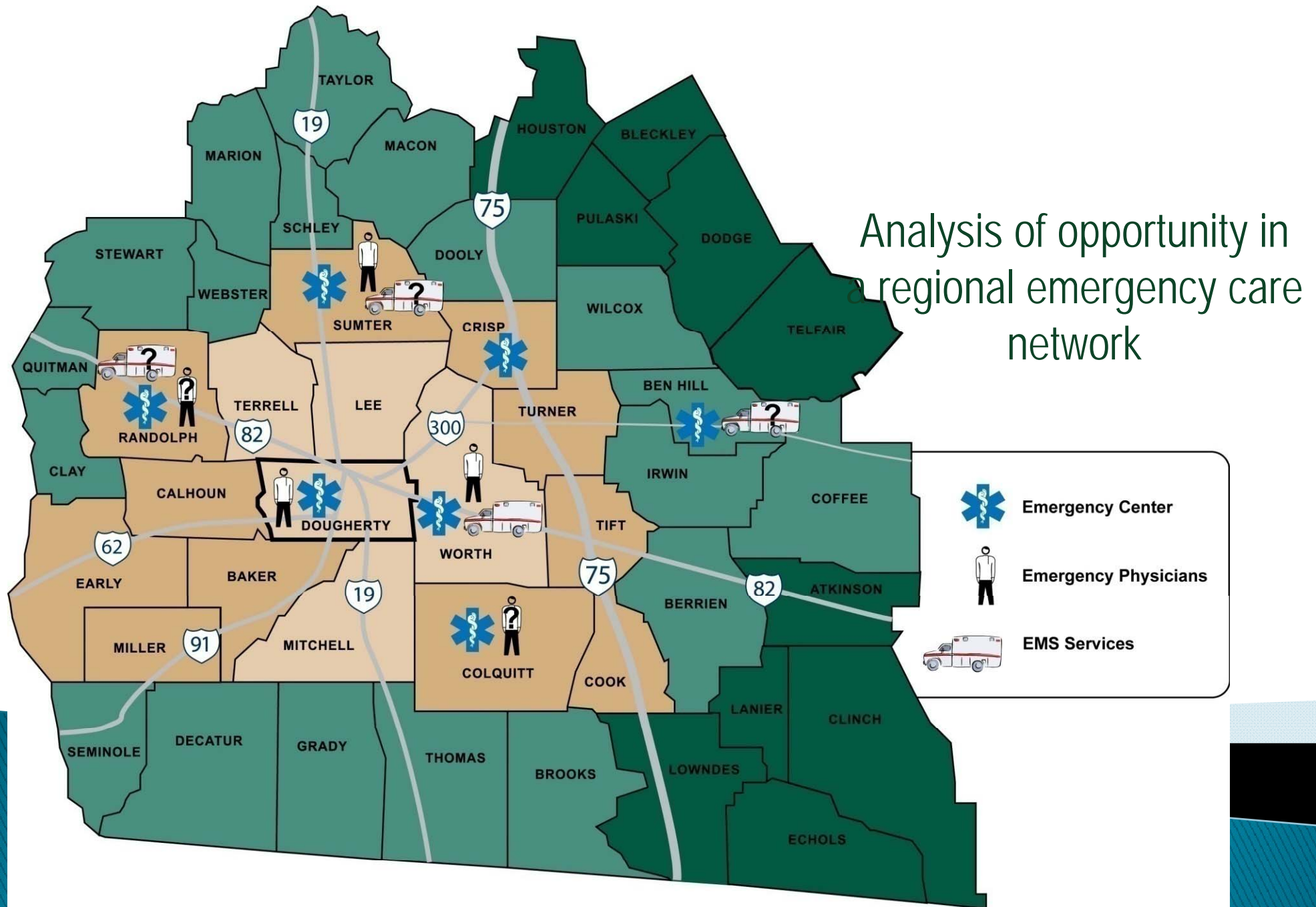


- Phoebe Primary Service Area
- Phoebe Secondary Service Area
- Phoebe Tertiary Service Area

21 Phoebe Physician Group Locations









Morningside
Assisted Living

Willson
HOSPICE
HOUSE
Albany Community Hospice & Palliative Care
PHOEBE PUTNEY MEMORIAL HOSPITAL

Albany

Sylvester

Ashburn



CAPACITY CHALLENGES

- ▶ INTENSIVE CARE DIVERT
- ▶ REHABILITATION BEDS
- ▶ NICU UTILIZATION

HOW TO ADDRESS CAPACITY ISSUE?

▶ BUILD?

▶ BUY?

STRATEGIC CONSEQUENCES

- ▶ IMMEDIATE ADDITIONAL 250 LICENSED BEDS
- ▶ AVOIDANCE OF COSTLY AND DISRUPTIVE CONSTRUCTION
- ▶ ADDITIONAL REVENUE
- ▶ ECONOMIES OF SCALE
- ▶ PRE-REFORM POSTERING INFRASTRUCTURE
- ▶ CENTER OF EXCELLENCE FOCUS....TRAUMA CTR
- ▶ MUST INVEST HEAVILY IN EXSITING CAMPUS W/O ASSURANCE OF TIMELY APPROVAL OR ADDITION OF LICENSED BEDS
- ▶ LIMITED FUTURE ECONOMIES
- ▶ STUNTED FUTURE MARKET SHARE ACCUMULATION AND JOB GROWTH
- ▶ DISTRACTION FROM MISSION ATTAINMENT

BUY

DON'T BUY

PPHS STRATEGIC DECISION

- ▶ AUTHORIZE MANAGEMENT TO APPROACH HCA
- ▶ HCA HAS AGREED TO SELL(HIGHLY CONFIDENTIAL!)
- ▶ TRANSACTION STRUCTURE IS AS IN PAST ...ALBANY/DOUGHERTY COUNTY HOSPITAL AUTHORITY IS OWNER(purchaser) AND PPHS IS LESSEE(operator)
- ▶ TRANSACTION HAS BEEN NEGOTIATED...SUBJECT TO AUTHORITY APPROVAL AND PUBLIC VOTE.

HCA WILL SELL UNDER THESE TERMS

- ▶ PURCHASE PRICE \$195,000,000
- ▶ BREAKUP FEE OF \$35,000,000
- ▶ CLOSE ASAP.....
- ▶ ASSET PURCHASE AGREEMENT

KEY ACTION ITEMS

- ▶ PPHS AUTHORIZATION
- ▶ APA NEGOTIATION
- ▶ ALBANY/DOCO HOSPITAL AUTHORITY PUBLIC APPROVAL...(DECEMBER 21,2010)
- ▶ CASH AT CLOSING....FINANCING TO FOLLOW
- ▶ TRANSITION AGREEMENT
- ▶ NEWCO with NEW BOARD(temporary solution)

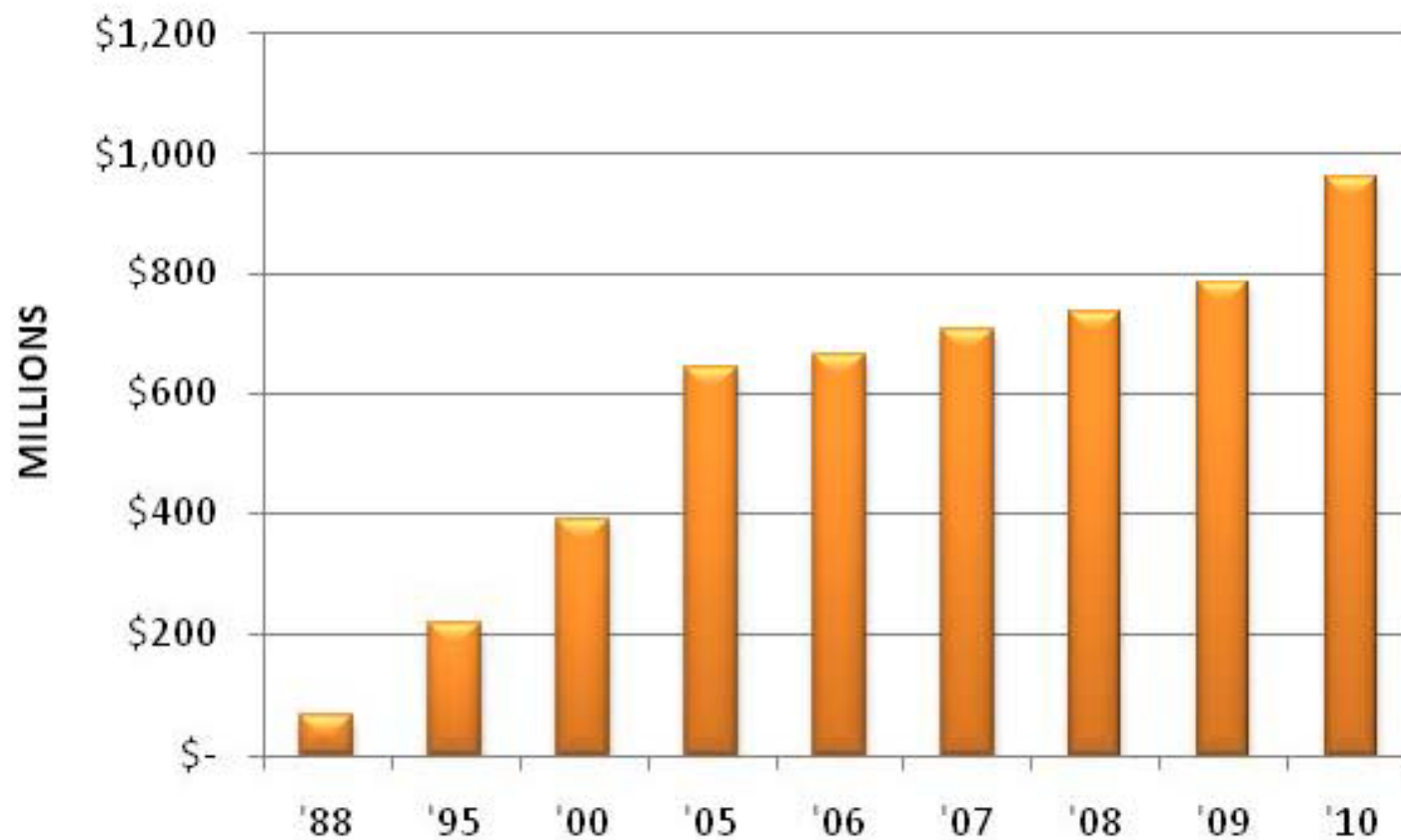
TOTAL ADMISSIONS 2009

GHA data shows 20,901 hospital admissions come from Dougherty, Lee, Mitchell, Terrell and Worth Counties.

More seek care outside Dougherty County than are treated at Palmyra

	Phoebe	Palmyra	Other	Total
Medicare	4,195	1,735	1,349	7,279
Medicaid	5,244	246	1,069	6,559
Blue Cross	1,461	161	364	1,986
Other Commercial	1,049	346	544	1,939
Other	<u>2,315</u>	<u>313</u>	<u>510</u>	<u>3,138</u>
TOTAL	14,264	2,801	3,836	20,901

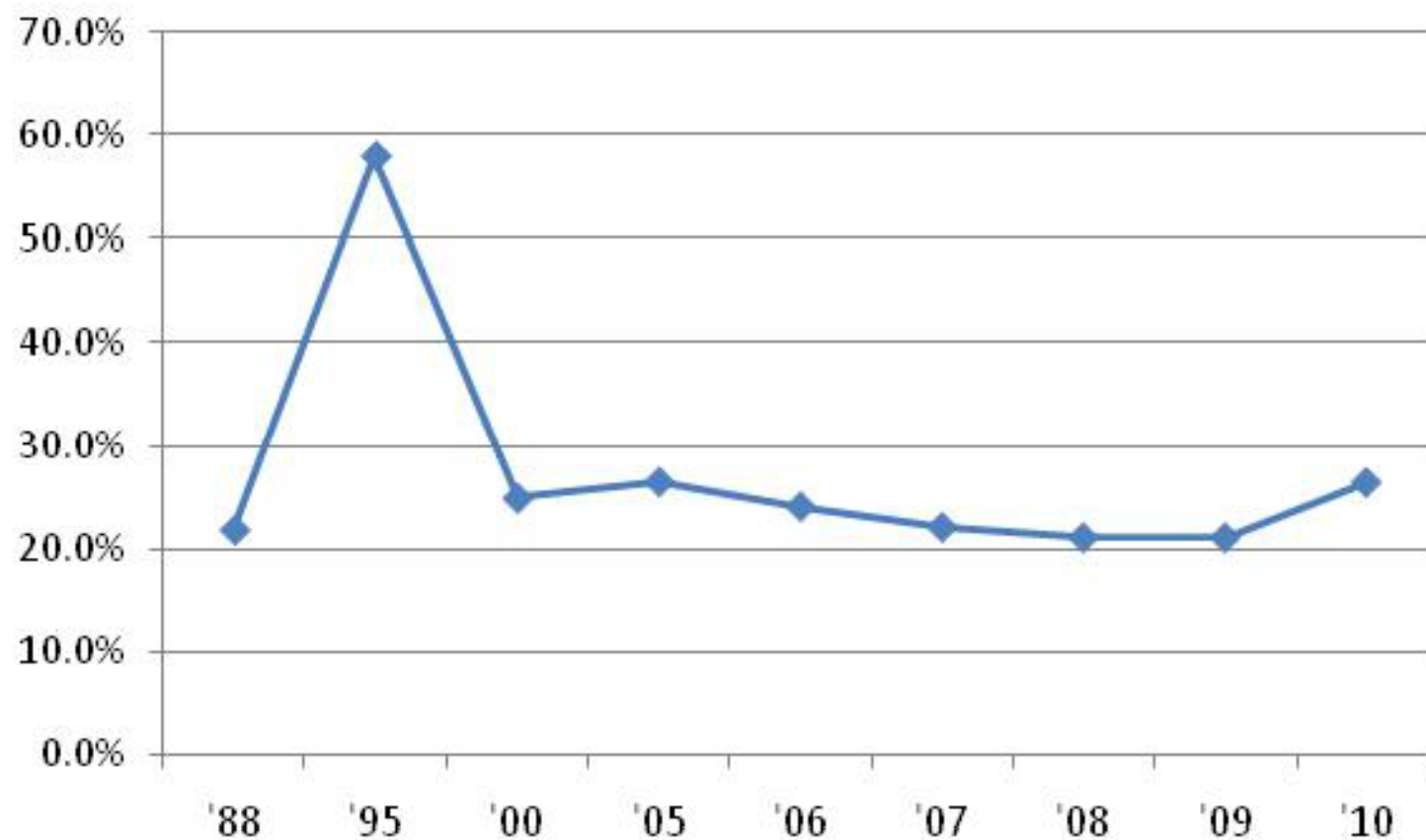
Total Assets



**FY10 - Unaudited*

EXHIBIT L - 23

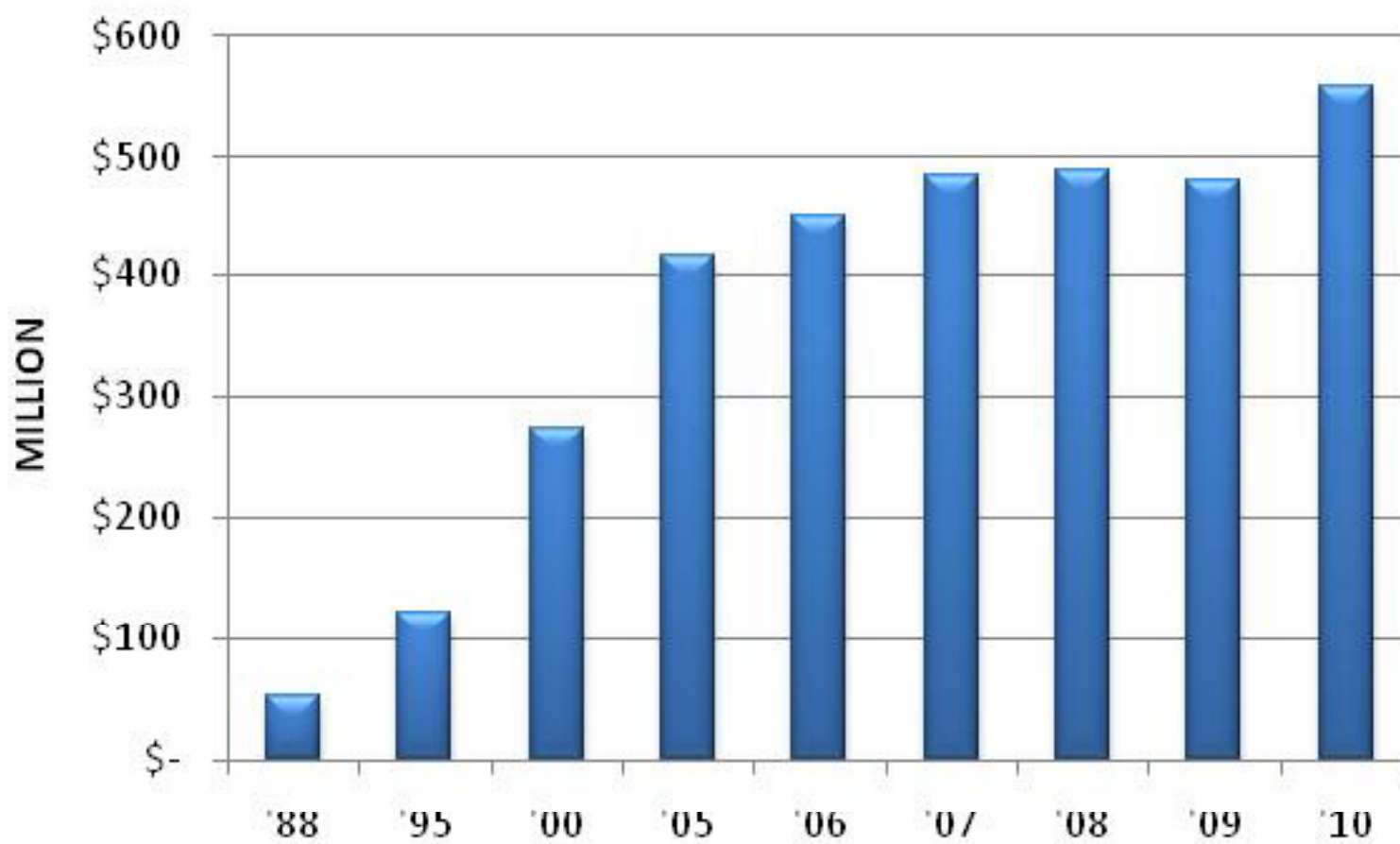
DEBT to EQUITY



**FY10 - Unaudited*

EXHIBIT L - 24

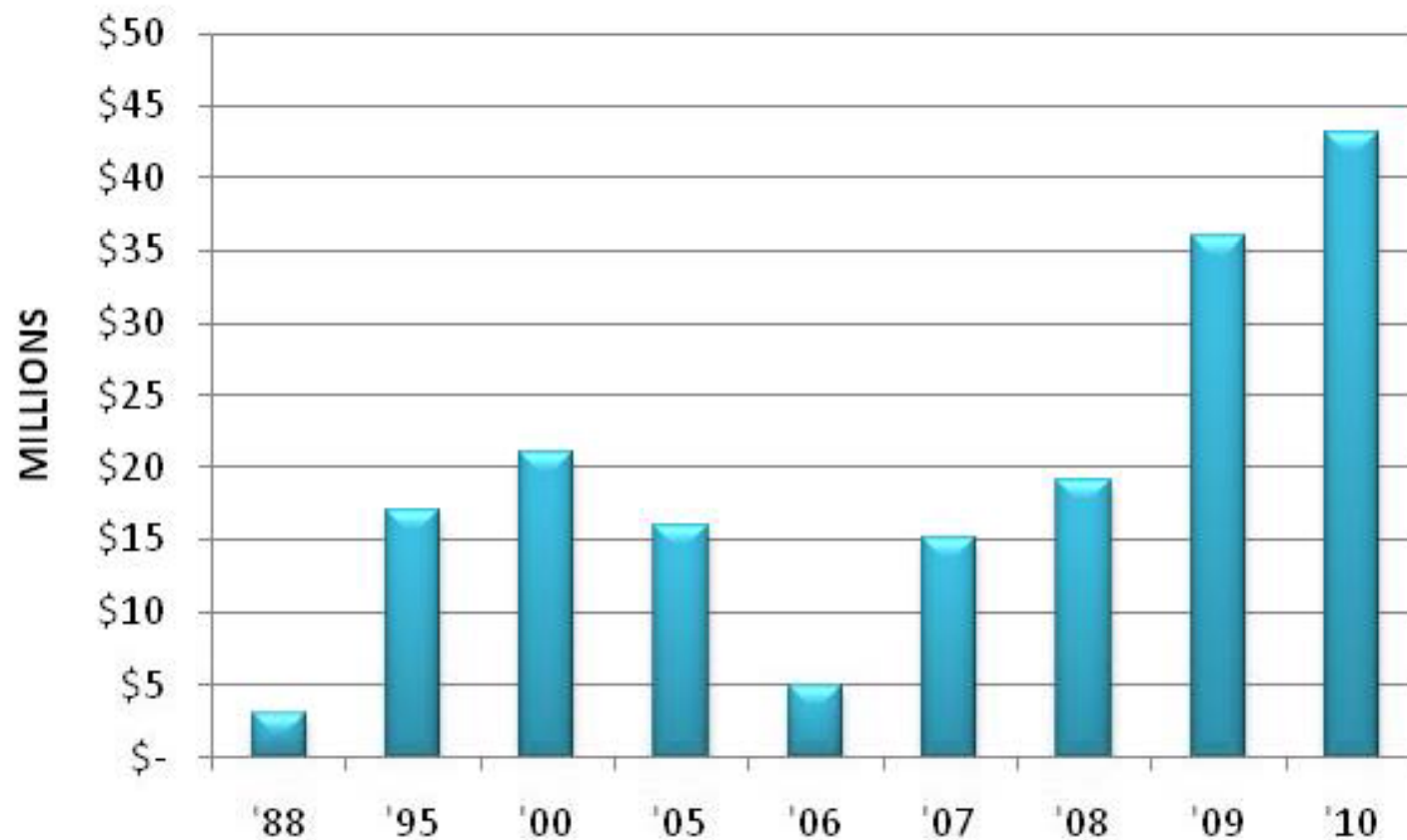
Net Worth



**FY10 - Unaudited*

EXHIBIT L - 25

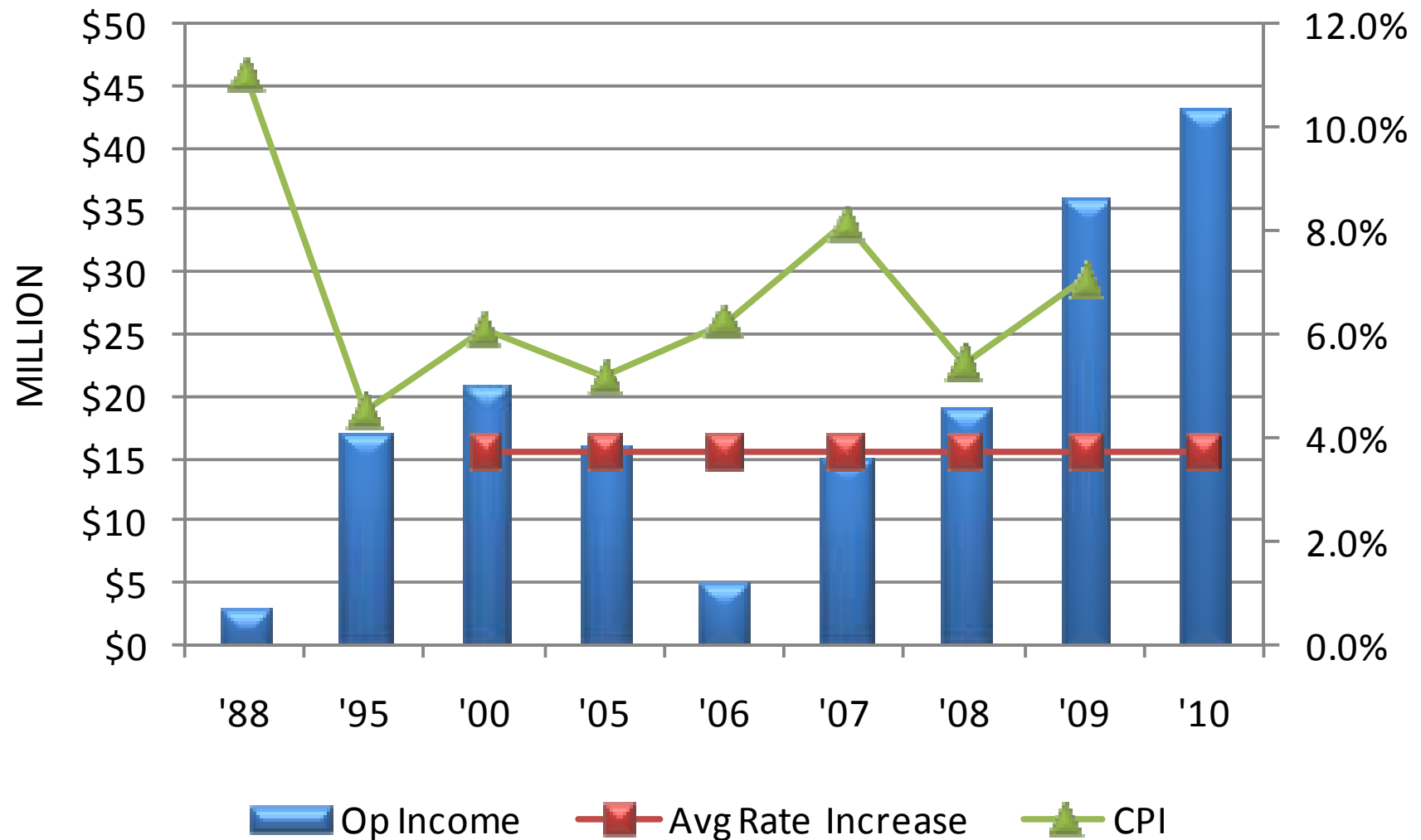
OPERATING INCOME



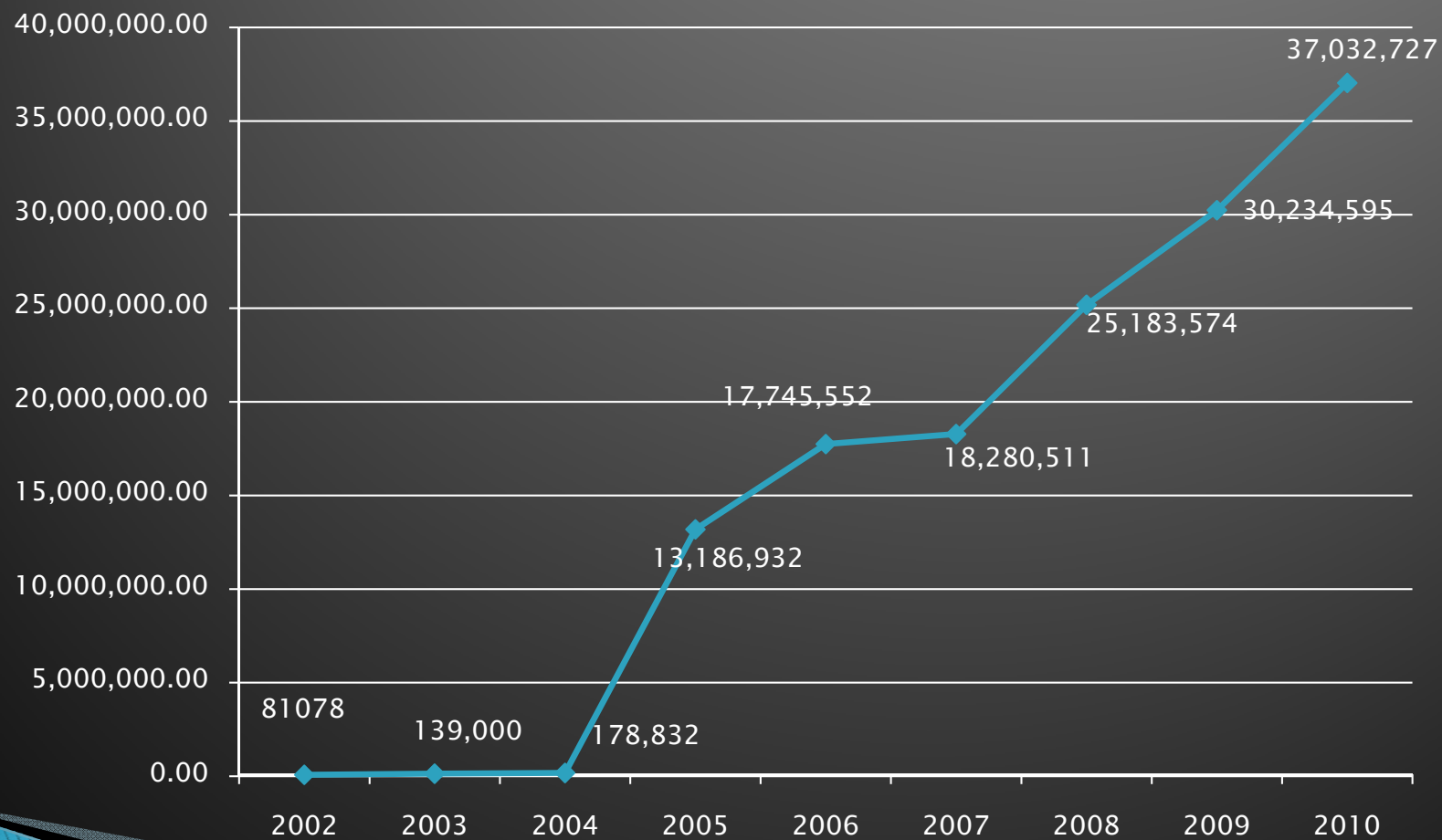
**FY10 - Unaudited*

EXHIBIT L - 26

Operating Income vs. Average Rate Increase vs. CPI



PPI Cash & Investments





Questions?



 **PHOEBE**